



June 25, 2003

The Honorable Dennis J. Hastert
Speaker of the House
235 Cannon House Office Building
Washington, D.C. 20515-0001

The Honorable William M. Thomas
Chairman
House Committee on Ways and Means
2208 Rayburn House Office Building
Washington, D.C. 20515-0001

The Honorable W. J. "Billy" Tauzin
Chairman
House Committee on Energy and Commerce
2183 Rayburn House Office Building
Washington, D.C. 20515-0001

The Honorable James Nussle
Chairman
House Committee on Budget
303 Cannon House Office Building
Washington, DC 20515-1502

Dear Speaker Hastert, Chairman Nussle, Chairman Thomas and Chairman Tauzin:

The Iowa Hospital Association congratulates you, the Iowa Congressional delegation, as well as other members of the House Republican leadership, and all those who cosponsor the *Medicare Prescription Drug and Modernization Act of 2003* for the Medicare reforms and the drug coverage it would provide for seniors and the disabled. We urge members of the entire U.S. House of Representatives to support and vote for the bill as it is considered by the House.

The *Medicare Prescription Drug and Modernization Act of 2003* also includes important corrections to long-standing inequities for rural states like Iowa. Two primary examples include equalizing the base payment amount for DRG's and lowering the labor share of the wage index to 62 percent. These provisions will work to assure continued access to high-quality, low-cost care for Iowa's Medicare beneficiaries.

Additionally, we must continue to express two deep concerns about the measure. First, the bill would reduce future Medicare hospital market basket updates. And, second, it fails to incorporate needed changes that are articulated in the *Rural Community Hospital Assistance Act of 2003* (H.R. 937). We look forward to working with the Congress on these two critical aspects of the bill as it proceeds through the legislative process.

An Association of Hospitals and Health Systems


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The Iowa Hospital Association believes the *Medicare Prescription Drug and Modernization Act of 2003* would strengthen the Medicare program, and looks forward to swift passage of the measure by the full House.

Sincerely,

A handwritten signature in black ink, reading "J. Kirk Norris". The signature is written in a cursive, flowing style.

J. Kirk Norris, President
Iowa Hospital Association